1:Stanford U. S-4,5 1956 AF12 North China AF12

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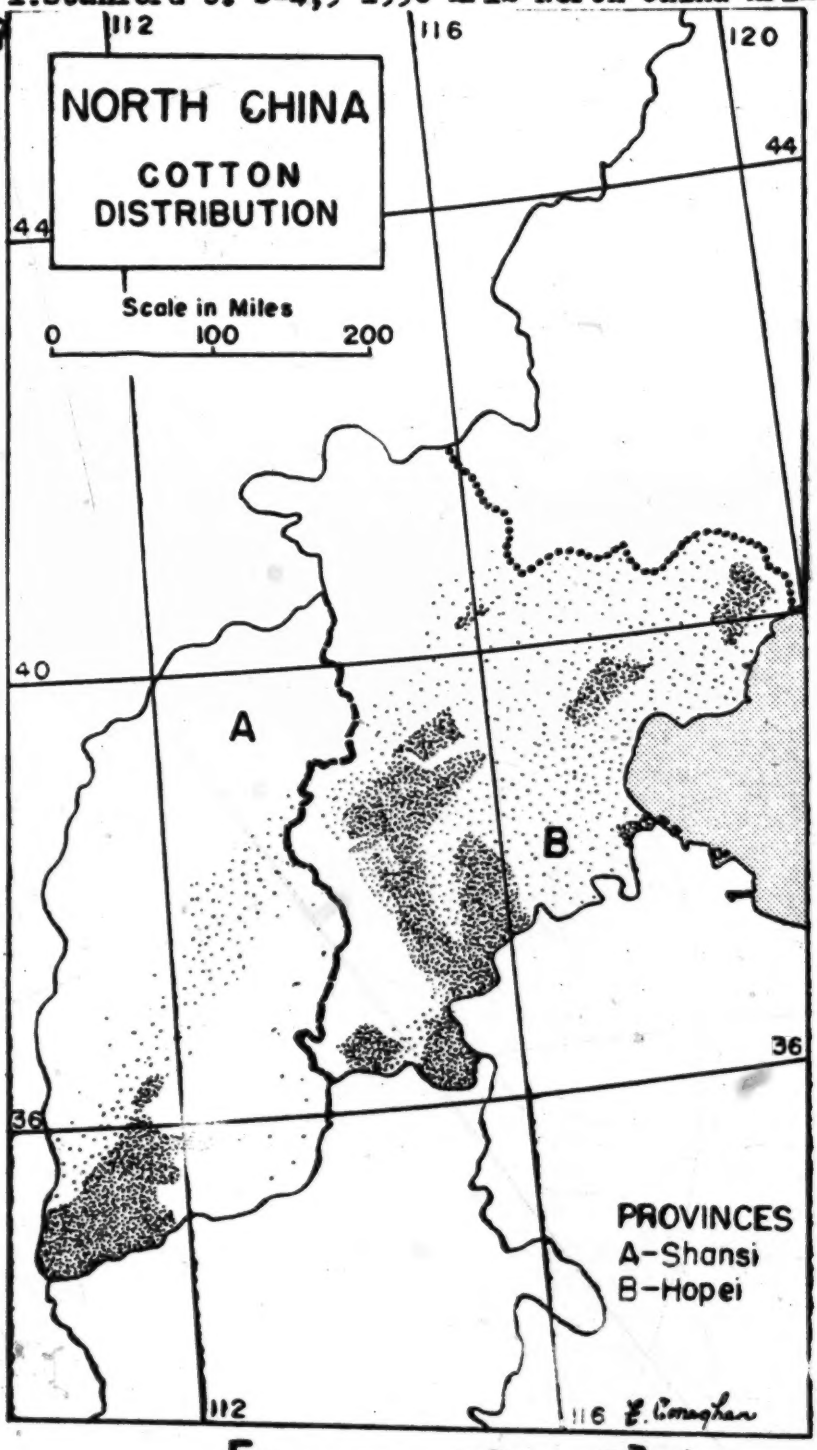


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433 Using as a basis for calculation the statistics quoted in Tables 6 and 7, we can say that the total supply of "rice-equivalent" grains available for consumption in North China in 1954 was 262.8 million shih-piculs (13.1 million metric tons). If we use a basis for calculation the Wu formula of 217 metric tons of milled "rice-equivalent" grains for each 1,000 "adult males" per year,[18] the total amount of "rice-equivalent" grains required to supply the 45.7 million "adult males" in North China in 1954 was 9.8 million tons (10.8 million short tons) whereas the total supply of "rice-equivalent" grains in the same year was 13.1 million metric tons (14.4 million short tons), giving a surplus of 3.6 million tons of "rice-equivalent" grains in North China in 1954.

C. Cotton Production

• 248 During the first five years of the Communist regime, cotton production in North China showed a considerable growth, although there was some fluctuation. Statistical data on cotton production in this region is compiled in the following table:

18. Yuan-li Wu, An Economic Survey of Communist China, New York, Bookman Associates, 1956, p. 165.

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Table 8. Cotton Production in North China*

| Year | Hopei Province | | Shansi Province | | Total | |
|---|---|---|---|---|---|---|
| | Shih-piculs (1,000) | Bales (1,000) | Shih-piculs (1,000) | Bales (1,000) | Shih-piculs (1,000) | Bales (1,000) |
| 1949 | 2,950 | 676 | 362 | 83 | 3,321 | 759 |
| 1952 | 8,924 | 2,144 | 807 | 185 | 9,731 | 2,329 |
| 1953 | 8,023 | 1,839 | 778 | 178 | 8,801 | 2,017 |
| 1954 | 7,221 | 1,655 | 700 | 160 | 7,921 | 1,815 |
| 1955 | 8,709 | 1,996 | 844 | 193 | 9,553 | 2,189 |

* Estimated and compiled from the following sources: Economic Bulletin, Hong Kong, October 1, 1954, p. 4; Hsin Chien-she [New Construction], Peking, Kuang-ming jih-pao she, July 16, 1950, p. 30; Li Hsien-nien, Budget Report 1955, New China News Agency, Peking, July 8, 1955; Hua Shu'Chung-kuo Ti Mien-hua Sheng-ch'an Wen-ti" [The Chinese Cotton Production Problem"], New Construction, May 3, 1955, pp. 47-53.

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248 It is evident that raw cotton production has shown an upward trend since 1949, although some fluctuation has been noted. If 1949 production is assumed to equal 100, production rose to 307 in 1952, 266 in 1953, 239 in 1954, and 288 in 1955. Two possible reasons account for the fall in cotton production since 1952. First, the parity price between cotton and grain was reduced in 1953; secondly, although the ratio of cotton and grain prices was adjusted in 1954, the output of cotton was even lower than that of the previous year in consequence of the drought and insect invasions to which the North China Region was subject. The production target set by the Communists for 1955 was 20 per cent above that for 1954. In view of the favorable climatic conditions which prevailed throughout the year, this goal may have been realized.

There have been increases in the total amount of land devoted to cotton production in North China since 1949, although the upward trend has not by any means been consistent. The growth of cotton acreage is illustrated in the following table.

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Table 9. Cotton Acreage in North China*

| Year | Hopei Province | | Shansi Province | | Total | |
|---|---|---|---|---|---|---|
| | Shih-mou (1,000) | Acres (1,000) | Shih-mou (1,000) | Acres (1,000) | Shih-mou (1,000) | Acres (1,000) |
| 1949 | 12,054 | 2,009 | 2,178 | 363 | 14,232 | 2,372 |
| 1952 | 20,646 | 3,441 | 1,968 | 328 | 22,614 | 3,769 |
| 1953 | 16,289 | 2,714 | 1,890 | 315 | 18,179 | 3,029 |
| 1954 | 17,200 | 2,867 | 2,004 | 334 | 19,204 | 3,201 |
| 1955 | 20,743 | 3,457 | 2,418 | 403 | 23,161 | 3,860 |

* Estimated from the following sources: New Construction, Peking, July 11, 1950, p. 30; May 3, 1955, pp. 47-53; People's Daily, July 24, 1955; Economic Bulletin, Hong Kong, September 13, 1954, p. 4; October 1, 1954, p. 4.

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243 The sudden jump in the amount of
248 acreage planted in cotton in North China was
433 probably caused by the adjustment of a
435 favorable parity price between cotton and grain and the improvement of unit area yield. The effect of the changes in the parity prices was reflected very sensitively by changes in cotton acreage. The prices which were quoted in grains in various crop regions are shown in the following table:

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Table 10. The Ratio of Cotton Prices to Grains*
(in weight-units of grain to one unit of cotton lint, 7/8" grade)

| Region | 1950 | 1951 | 1952 | 1953 | 1954 | 1955 |
|---|---|---|---|---|---|---|
| Wheat Region | 7.0 | 8.0 | 7.5-8.5 | 6.25-7.5 | 6.75-8.00 | 6.75-8.00 |
| Millet Region | 8.0 | 8.5 | 8.0-9.5 | 6.75-8.0 | 7.50-8.25 | 7.50-8.25 |
| Rice Region | 6.5 | 8.5 | 8.0-9.0 | 6.75-8.0 | 7.25-8.25 | 7.25-8.25 |

* Newspaper Reading Handbook, Hankow, 1950, p. 574. Ching-chi Chou-pao [Economic Weekly], Shanghai, May 28, 1953, p. 21; New China News Agency, March 3, 1954.

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-243 -248 Some sections of the provinces of Shansi and Hopei are wheat-producing regions and some are millet regions. In 1953, when parity prices were lowered, the acreage planted in cotton dropped correspondingly. In an effort to increase the average cotton yield per unit of land, the Communists promoted the so-called "bumper harvest" campaign. One of their devices for encouraging intensive cultivation was the public recognition promised "model producers," including those who had discovered means to increase per-unit yield. In 1952, the Wu Ch'un-an Agricultural Producers' Co-operative in Shansi Province established a record of 1,021 catties per shih-mou (3.4 tons per acre).[19] The average yield in Shansi Province in that year was only 41 catties per shih-mou (271 lbs. per acre). The average cotton yield per unit of land during 1949-55 is shown in Table 11.

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19. New Construction, Peking, May 3, 1955, p. 50.

1:Stanford U. S-4, 5 1956 AF12 North China AF 12



Table 11. Cotton Yield in North China*

| | Hopei Province | | Shansi Province | | National Average# |
|---|---|---|---|---|---|
| | Catties per shih-mou | Pounds per acre | Catties per shih-mou | Pounds per acre | Pounds per acre |
| 1949 | 25 | 162 | 17 | 110 | 141 |
| 1952 | 41 | 271 | 41 | 271 | 203 |
| 1953 | 33 | 218 | 46 | 336 | 216 |
| 1954 | 34 | 224 | 46 | 336 | - |
| 1955 | 39 | 257 | 46 | 336 | - |
| 5 year Average | 34 | 226 | 39 | 278 | |

* Estimated from the following sources: Hua Shu, Chung-kuo Ti Mien-hua Sheng-ch'an Wen-t'i [The Chinese Cotton Production Problem], Hsin-chien-she [New Construction], Peking; Kuang-ming jih-pao she, May 3, 1955, pp. 47-53; People's Daily, January 27, 1950; Survey of China Mainland Press, August 17, 1954, p. 29.

# New Construction, Peking, May 3, 1955, p. 52.

1:Stanford U. S-4, 5 1956 AF12 North China
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•24/8 The average yield of cotton in Shansi Province is greater than that in Hopei, possibly because drought and pests have damaged the cotton crops in Hopei since 1952. There have been comparatively fewer natural calamities in Shansi. If we compare production in North China with average national yields in the same period, North China produced more in 1952 (33%) and 1953 (55%) and less in 1949 (about 22%).

D. Other Agricultural Products

244 Hopei Province produces a large quantity of peanuts, since the loamy soil found in some parts of Hopei is well-suited to their cultivation. The yearly crop is second only to that of Shantung Province. Some seventy years ago an American missionary brought into China the large-grained American species of peanut which yields large crops of excellent quality. In 1949, the total production of peanuts in Hopei was 6.521 million shih-piculs (358,655 tons).[20] (Data on production since 1949 is not available.) Peanuts are one of the

20. Chinese Economic Journal, Shanghai, Bureau of Foreign Trade, September 1936, p. 257.

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407 is manufacturing many types of farm implements, including horse-drawn ploughs, cultivators, reapers, rice-threshers, corn shellers, silage cutters, water wheels, and water pumps, which are first tested in the fields before being produced in quantity.[28] The new plough, it is reported, is light, ploughs deeper, does a better job of turning up the soil, and is easier to handle than the old. It can aid in increasing crop yields from 16 per cent to 44 per cent. The three-bladed cultivator can weed four times as fast as the hoe, and the mechanical reaper is twenty times as efficient as the sickle. Of course these reports of increased efficiency are derived from a Communist source.[29]

248 The so-called "advanced Soviet method" used in the close-planting of cotton is now practiced in North China as in other regions, according to Communist reports.[30] For example, the Communists say that Shuangchiao State Farm, in the eastern suburbs of Peking, harvested between 20 per cent and 30 per cent more cotton when the number of cotton plants per hectare were increased from 30,000

28. Ibid., p. 28.
29. Ibid., July 1, 1954, p. 25.
30. Ibid., Feb. 16, 1954, p. 18.

1:Stanford U. S-4, 5 1956 AF12 North China
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348 (7,500 per acre) to 45,000 (11,250 per acre) to 67,500 (16,875 per acre).[31]

## VII. COMMENTS

464 668 166 In the spring of 1955, the "Back-to-the-Villages Campaign was launched in most of the large cities in China in an effort to persuade or force peasants to return to the rural districts. Many peasants, dissatisfied with the rigorous demands made upon them and the arduous life on the farms, had abandoned farming and gone to the cities in search of an easier livelihood. Although conditions in North China are not as discouraging as in the East and Central-South China regions, the fixing of production quotas (often increased arbitrarily), the collection of grain tax (always a heavy drain on the farmer), and the forced sale of grain (at fixed prices) to the government have exerted a tremendous burden on the poor farmer. Communist cadres have attempted to foist agricultural producers' co-operatives upon the rural masses, who found no way of expressing their resentment or reluctance at this forced change in their farming methods except by abandoning their plots of land and seeking work in areas less

31. Ibid.